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RUEAHLC/DHS WASHDC

RULSDMK/DEPT OF TRANSPORTATION

RUEABND/DEA HQ WASHINGTON DC

RUCPDOC/DEPT OF COMMERCE

RUEATRS/DEPT OF TREASURY

RUMIAAA/HQ USSOUTHCOM MIAMI FL

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 000330

SIPDIS

HQ SOUTHCOM ALSO FOR POLAD COMMERCE FOR 4431/MAC/WH/JLAO TREASURY FOR RJARPE NSC FOR RKING

E.O. 12958: DECL: 03/17/2019

TAGS: ECON PGOV PREL ETRD EINV EAGR VE

SUBJECT: VENEZUELAN NATIONAL GUARD OCCUPIES PORTS AND

AIRPORTS IN OPPOSITION STATES

REF: A. CARACAS 322

¶B. CARACAS 287

¶C. 2008 CARACAS 1754

1D. 2008 CARACAS 1607

¶E. CARACAS 269

Classified By: Economic Counselor Darnall Steuart for reasons 1.4 (b) and (d).

11. (C) SUMMARY: The Venezuelan Government passed a "Decentralization Law" on March 12, that moves authority over state-run airports, roads and ports to the central government (Ref A). The morning of March 16, a senior Carabobo state official reported that the National Guard had arrived and fear and uncertainty reigned at the airports and ports in some opposition-controlled states. The newly constituted Ministry of Public Works and Housing under close Chavez confidant Diosdado Cabello (Ref B) will now control all airport and port operations and will likely replace senior state government staff with his own personnel. Cabello, who has not proven supportive of USG requests to conduct security assessments of Venezuelan ports and airports in the past, will now be in charge of their operations throughout the country (Ref C). END SUMMARY.

CARABOBO STATE

- 12. (C) Econoff spoke on March 16, to Maria Cristina Romero de Grimaldi (strictly protect throughout), President of the Valencia Airport and member of Puerto Cabello's Board of Directors. Both airport and port are located in Carabobo, an opposition-oriented industrial state. Romero said that while the airport is still fully operational, already slow port operations have been delayed even more (Ref D). She noted that the environment at both locations is one of "fear and uncertainty" with many workers opting to stay home. As far as she knows, she is still airport president for the time being, adding that legally, all operations should continue as usual until the government issues guidelines on how it will execute the takeover. She said the central government has yet to provide information on whether a civilian or military board will take control of the airport.
- 13. (C) Romero described the guardsmen at the airport as "rural National Guard", or the advance team the government sends to prepare the groundwork for complete National Guard

occupation. She confirmed media reports that National Guardsman arrived the morning of March 16 at Puerto Cabello, Venezuela's most important port in terms of imports. She said the Guardsman were armed and highly visible in their control of port access and of the port's administrative offices. She commented that crew on incoming vessels must be shocked by the presence of so much military.

- ¶4. (C) In a previous February 19 conversation with Romero, she noted she would like to invite both FAA and TSA to visit Valencia airport. She acknowledged the central government would not support such visits, so suggested FAA and TSA come "privately." Romero went on to describe how central government officials were using the country's primary airport, Simon Bolivar International Airport, as a "slush fund." She said these government officials were doing everything they could to divert business from Valencia to Simon Bolivar to increase "their" airport's revenue. In speculation that proved prescient, she added that one day central government officials would try to take Valencia airport for themselves.
- 15. (C) On March 16, Econoff spoke to William Bracho (strictly protect throughout), President of domestic aviation association CEVETA, who posited that Minister Cabello will not lose any time in replacing key airport and port staff in opposition states with his own personnel. Bracho said the Ministry of Public Works and Housing, which is becoming a "super ministry", will assume total control of state-run airports and ports and will be quick to channel all revenue to the Ministry, rather than the states. He suggested that this reversal of 1980's era decentralization under the

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Presidential Plan for State Reform (COPRE) would not necessarily increase corruption at Venezuelan airports, but would instead change the cast of characters benefiting from corrupt airport operations. Central, rather than state government officials will now reap the spoils, he added.

ZULIA AND NUEVA ESPARTA

- 16. (C) On March 16, Maracaibo Consular Agent spoke to a City Councilman who reported that Maracaibo port operations in the state of Zulia were stalled by the Governor's press conference protesting the port takeover and encouraging Chavez to "come and look for me if you want to take me prisoner for defending Zulia". On March 17, two Naval vessels arrived at the port as an initial sign of central government control over port operations. Thus far, there has been no increase in the National Guard presence at the airport. The Consular Agent speculated that the government has not had a chance to send additional troops to the airport yet given the National Guard's increased activity throughout the country. He added that when the central government does arrive in force to assume control over the port and airport, it had better come prepared as opposition to central government control is deep and widespread in Zulia.
- 17. (C) According to Chavez's March 15 statements, the central government will also take Porlamar, a port in yet another opposition-controlled state, Nueva Esparta. The press reported that 200 central government officials arrived at the port on March 16. Via a Supreme Court decision on March 4, the central government had already assumed control of Nueva Esparta's airports. The Governor of the state of Nueva Esparta disputed the legality of the court ruling in a full page ad in the major Venezuela papers on March 9, saying that the Supreme Court's decision to cede the two airports to the central government is an "affront to the people of Nueva Esparta... Taking the airports from the Government of Nueva Esparta, the first step in a plan to do the same in the rest of the states where democracy won at the ballot box... is to destroy what is left of decentralization and make way for

absolute power."

COMMENT

¶8. (C) Valencia Airport President Romero is a strong supporter of cooperation with the USG. The central government will likely replace such state government officials with those who will ultimately answer to Diosdado Cabello. Cabello has not proven supportive of either Coast Guard or TSA requests in the past and there is nothing to suggest he will have a change of heart (Ref E). Venezuelan military forces have extremely limited logistical capability and their ability to enforce Chavez dictums is questionable. Enforcement will more likely come from local National Guard units. Violent confrontations within port and airport administrative and functional spaces are unlikely. Post continues to reach out to opposition-controlled states to gauge the impact of the "Decentralization Law".

CAULFIELD